
Impact Of Information Organization On Performance In Tourism

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The unprecedented development of communication, transportation media and infrastructure, as well as the increase of the number and diversity of offers, within the context of growth of incomes of certain social categories, have facilitated during the last few years a significant increase of demand in the touring industry which therefore occupies a more and more important place in the national economy, but also in the world economy.

However, a closer look shows us that the overview of tourism at the national, regional and global level presents progressively stronger characteristics in terms of: general condition of locations, provided facilities, degree of accessibility, level of costs, quality and diversity of the provided services, used technologies, potential risks etc. Therefore, the growth of performance in tourism depends more and more on obtaining, organization of strongly substantiated basis of information and their exploitation to a maximum level of efficiency.

Starting from these considerations, our endeavor aims at making an (non-exhaustive) analysis of the elements allowing increasing of efficiency of information use in the increase of performance in tourism.

Keywords: *tourism, tourism activities, data collection strategies, information organization and use, performance assessment, porter model, competition forces, managerial strategies*

Jel Classification: *H32 – Firm; L20 – General; L21 - Business Objectives Of The Firm; M41 – Accounting; Q28 - Government Policy.*

Introduction

In order to outline the impact information organization upon performance achievement in tourism, we considered to be useful to approach certain issues related to the contribution of Michael Porter to the knowledge of the five competition forces and to the configuration, based on them, of a typology of economic strategies.

Therefore, without being exhaustive, he have analyzed the specific nature of the action of such forces in the tourism market, the effects of their interaction and certain practical actions to make business in tourism.

We have also configured, under the form of a logic scheme, a variant of the process of obtaining and organization the information, use of information in performance assessment and reconfiguration of new strategies aimed at increasing performance and occupying a good position on the market.

Literature review

The approached issues were also studied, under various aspects, by several authors of the specialized literature.

Therefore, Calotă T.O, (2013), treats important issues related to outlining and reporting the status of a firm and the role of accounting in obtaining the information necessary for the management of the economic-financial activities. The same author talks in detail in his doctoral thesis (2010) about the treatments and accounting information related to performance in tourism.

Porojan D. and Bișa C., (2005), outline the role, the importance and the methods to elaborate the business plan, the organization and planning of operations and the associated risks.

Nicolescu O. and Verboncu I., (2007), treat managerial projection of the economic organization, the methods to elaborate strategies, as well as the trends in methodological-managerial business approach.

Cornescu V., Mihailescu I. and Stanciu S., (2001), treat in detail the strategic management and firm development strategy, the information organization and the modern management methods.

Ghenea M., (2011) approaches the issues corresponding to the road from ideas to opportunities and success in business.

Mintzberg H., (2008) analyzes the models of the strategic planning process, the phases and elements of such process, as well as the causes of basic errors which might occur.

Horvath & Partners, (2007) analyze the transformation of the accounting system into accounting management and making a comprehensive information system in order to support planning and reporting.

Dumitru C.G. and Ioanăș C., (2005) stand for a new approach in terms of performance analysis, laying stress on the issues related to budget activation, cost calculation and management upon activities.

The literature we consulted is much older, but we considered that the above-mentioned works are the most representative for the development of our endeavor.

Scientific contents

Considerations regarding certain peculiarities of the elaboration of information organization and use strategies aimed at increasing performance in tourism

The fact that performance represents a “special achievement in a field of activity” (Explanatory Dictionary of Romanian Language, 2012) shows us that it depends on rational factors, but also subjective, specific to such field of activity. Obviously in the center of the whole process there is the information whose configuration depends, to a great extent, on the volume, diversity, supply rhythm and data processing capacity.

Therefore, economic entities, from their very incorporation, find themselves in very complex hypostases, the achievement of the central target (profit maximization) supposing approaches strongly substantiated based on the correct assessment of the internal environment status and, respectively, on the opportune and complete availability of information about the external environment in which they operate.

Starting from here, in a strategic approach, Michael Porter, a famous professor at Harvard Business School, associates performance with a strategy by means of which he searches all profit resources. Therefore, in this sense, he asks himself a key question like “How good the game is?” and proposes an answer, consecrated by the model of the five forces of competition, represented by the power of suppliers, threatening the new entities on the market, rivalry of the existing ones, threatening of the substitutes of certain products or services and customer power” (Calotă, T.O., 2010, page 204).

Michael Porter’s approach of this issue creates the advantage of the possibility to configure a reference model for any field of activity. In our case, as we are talking about tourism, the impact of the five forces of competition acquires distinct connotations. Therefore, starting from the diversity-related characteristics of tourism activities, major impact on the emotional side of customers, strong dependence on environment conditions, rapid evolution of effects due to the use of new technologies in the fields of communication, entertainment, transportation etc., business performance depends much more on the adequacy of elaboration and application of efficient data collection strategies, configuration and then exploitation of market-related information.

In order to achieve this goal it is necessary to start from the specific modalities by which each one of the five forces of competition influence the success of tourism activities. Therefore, if we refer to the *power of suppliers in tourism*, it is very important to have a distinct approach of the key suppliers than the other suppliers. This applies especially to suppliers of food products, utilities and services on which daily attendance of customers depend. It’s about strictly necessary quantities and also their quality, which has a great impact on building customer loyalty. It determines both risks, for which alternatives have always to be considered, and also increase of the dependence on such suppliers, which sometimes has negative effects in terms of prices/fees. The suppliers of other products /services also have to be known, this goal being achieved by their periodical audit so that to prevent potential risks related to scheduled deliveries (terms, quantities, quality, prices etc.).

As shown above, the field of tourism is a very fluent one. There are frequent outs, but also many *ins of new competitor on the market*, as it is now in Romania, when natural persons but also firms with financial power

are investing in tourism and leisure resorts, in hotels etc. It determines a reconfiguration and a resettlement of forces in the market, generates risks for the existent entities and implicitly results in finding and implementation of new measures aimed at increasing performance.

We have to add to the above-mentioned threats the ones resulting from the consequences of the *rivalries of the entities existent on the market* as they have to be seen in their dynamics, generated by the trend which is natural for any business maker to increase the profit. But all this trend does is to increase risks for the other competitors who, at their turn, will have to act accordingly.

In our opinion, the intensity and complexity of the ways in which rivalries can manifest constitute determining major elements of development in tourism. In this sense, it is not enough to have important material and financial resources, but it is obligatory to permanently know all market evolutions and, based on them, to advance potential profitable initiatives of the other competitors. But it is possible only by creation and maintenance of an efficient data collection system, configuration and organization of information and, of course, their competent exploitation by a professional management.

For instance, it is unanimously accepted that the only thing that the existence of an excessive number of tourism entities of a sensitively equal level (in terms of financial force, fields of attendance, quality and number of offers etc.) does is to intensify competition. In such situations the winners will only be those who, with a good disposition of the necessary information, will succeed in achieve performance by adequate means (cost reduction, increase of quality of their products/services, initiation of new offers which are more attractive, and, in extreme situations, capacity to overrun barriers of getting out and approaching a new sector of activity).

The *trend of expansion of substitutes of certain tourism products and services* with a great impact on prices/fees should also be considered from this perspective. It requires finding new solutions to increase quality and reduce costs, concomitantly with an aggressive advertising and of course, remodeling and diversification of offers so that they can be accessible to a large public. From this point of view, price/quality ratio will play a decisive part in maintaining a profitable level of sales.

Starting from these considerations, we get to the fifth, but not least, force of competition which is *customer power*, which is not only a result of

their financial force, but, to a great extent, of their organizational one. Therefore, when market supply is high, when the charged prices/fees determine small profit margins for the customer (for instance tour-operators), when they buy big quantities of products/services etc., the negotiation activities will put a lot of pressure on suppliers.

In such situations, it is very important to attract and build loyalty for customers who buy big quantities and ensures continuity of the production and service supply process. Obviously it can only be made by offering certain advantages in terms of quality and promptness in delivering the products/services, by notoriety (brand) etc., and also by practicing an aggressive professional marketing.

However, in our opinion, the five forces of competition identified by Porter should not be considered only individually but within a complex mutual influence (interaction) process (Fig. 1), concomitantly with the interaction with the economic entity. Therefore we can assess the separate impact on the firm of each competition force, but, finally, we have to assess the cumulated effort, by measuring the achieved performance, case in which we can consider: the volume of the activity, the profitability, the obtained profit and the cash-flow, issues which are related to undertaking accounting, respectively treasury accounting, which are not part of our discussion.

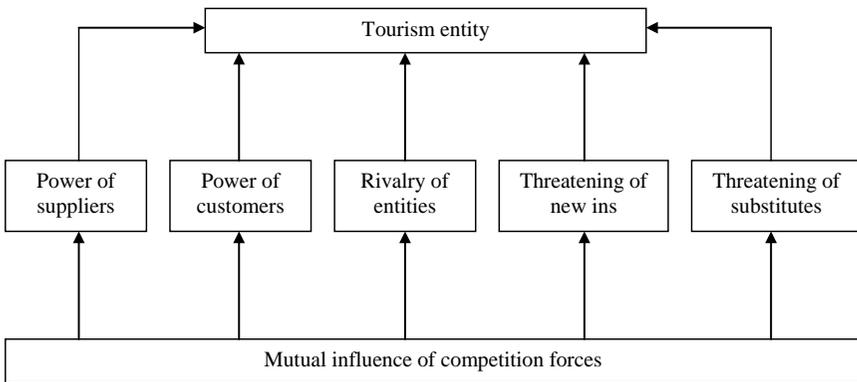


Figure 1: Competition forces interaction scheme

Michael Porter went forward and proposed, as known, the three types of economic strategies as solutions to the problems generated by

market interaction, respectively the strategy of the lowest costs (domination by costs), the strategy differentiation and the concentration strategy. In our opinion, this differentiation of strategies should be seen only strictly theoretically because in practice the interaction of competition forces generate very complex situations, which require in order to be solved the use of elements which are (theoretically) specific to each of the three types of strategies.

Therefore, practically, starting from the complete image of the firm status, of the real conditions on the tourism market (prices/fees, power of customers and suppliers, specific rivalries, inflow of substitutes, rhythm of appearance of new entities etc.), taxation level (tax facilities) and other easements and/or restrictions established by the law, a professional management will configure a strategy aimed at achieving performance, which will take into account all these elements, the information being the “raw material” used.

For a better illustration, we explained in Fig.2, under the form of a logic scheme, a variant of the modalities to obtain and organize information in the process of performance achieving in tourism.

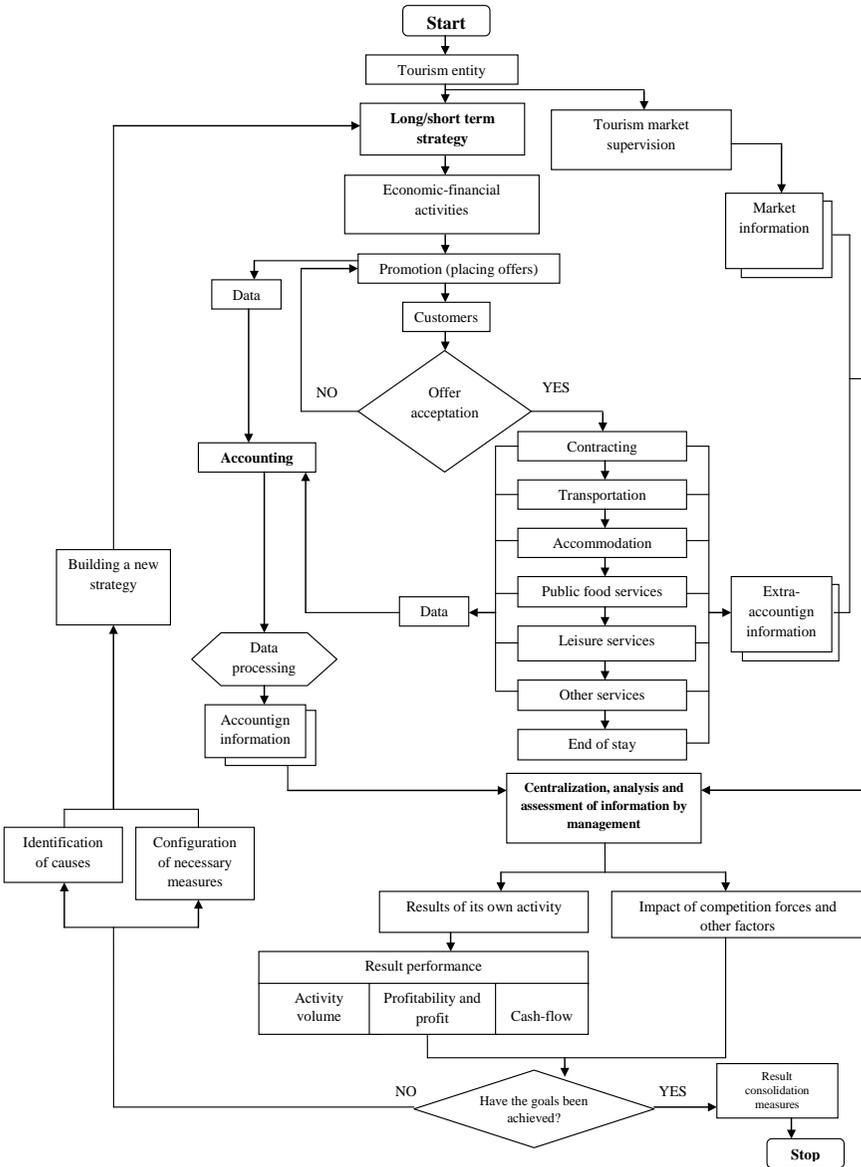


Figure 2: Logic scheme (variant) of obtaining and organization of information in the process of performance achieving in tourism

It can be noticed that the professional development of tourism activities supposes the existence of a long/short term strategy, with strongly substantiated targets, under the conditions of an efficient market supervision and obviously, efficient promotion of the supplied products/services. Starting from here, we determine the use of three categories of data, which, by specific processing, will generate accounting, extra-accounting and market information (competition forces). They will be centralized by the management, by specific means, analyzed and assessed in relation with the parameters corresponding to the established goals.

In fact, a grouping of the results of the tourism activity will be made, which will give the configuration of the achieved performance concomitantly with the assessment of the impact of competition forces and the other factors of the internal and external environment.

If the performance goals were not achieved, then the causes will be established and the required measures will be configured, based on them a new strategy will be configured, according to the new elements. However, even if the goals were achieved, it is useful to adopt the required measures to ensure stabilization of the situation at the achieved level and creation of the necessary conditions for the future development.

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